

# Every Day Counts 3

## Arizona Local Public Agency Stakeholder Council Meeting Minutes

**Tuesday, March 17, 2015**

**TIME: 11:00AM - 3:00PM**

**Maricopa Association of Governments (MAG) – 302 N. 1<sup>st</sup> Ave, Phoenix, AZ 85003**

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### News:

- ADOT's LPA Section currently holding Certification Acceptance Academy from February 18 – April 14, 2015 for the CA Agencies as part of the recertification process.

### **Topic: Federal-Aid Financing**

Panel: Roman Moreno, FHWA; Patrick Stone, ADOT

### Discussion Summary:

- Definitions
  - Award – used in reference to a contract
  - Authorization – permission to do a project given a defined scope of work; date is very important
  - Obligation – funding that can be spent for a project, given a defined scope of work; tied to the authorization
  - Allocation – funding distributed to the state and designated for the purpose of funding FAHP projects
- Resources to learn more about Federal Financing
  - Federal Aid Essentials for Local Public Agencies; [www.fhwa.dot.gov/federal-aidessentials](http://www.fhwa.dot.gov/federal-aidessentials)
  - Web-based course, FHWA-NHI-310115, Introducing Highway Federal Aid, <http://www.nhi.fhwa.dot.gov>
  - Instructor-led course, FHWA-NHI-310110, Federal Aid Highways 101 – available through LTAP, [www.azltap.org](http://www.azltap.org)
  - “A Guide to Federal-Aid Programs and Projects” – defines all available funding programs and criteria, available online at <http://www.fhwa.dot.gov/federalaid/projects.cfm>
- 2 CFR 200 – Super Circular
  - Effective December 2014
  - Applies to all federal programs
  - Consolidated many circulars
- Federal funding on a project
  - Funding is allocated to a project. If project does not use all federal funds, then remaining funds are returned to the COG/MPO for redistribution within the region.
  - Each MPO has an obligation authority (OA) rate, set by congress. As of October 2014 rate is 94.8. It can change at any time. Monies allocated are based on population within the regions.
- Scoping and Programming Project
  - Select the best project for the federal funds that can be delivered on schedule
  - Consider schedule issues, not just financial; such as construction windows, IGA updates
  - Schedule will be required with project initiation
  - Goal is to deliver all LPA projects throughout year, meeting quarterly goals of 20,30,30,20%
  - Allot 18-24 months to get project developed
- Design Review fees
  - LPA may ask ADOT PM for a detailed report on how fees are being spent
  - Currently, breakdown of costs are running \$30,000 per project.

- Innovative Funding
  - Some LPAs have only small amounts of federal funding; difficult to use due to federal requirements; opting to pool funding and place on an ADOT State Route to gain a regional benefit and better federal project
- New Financial Systems
  - FMIS 5 will be implemented by FHWA in April 2015
  - BREAZ will be ADOT's new accounting system in July 2015
  - Expect some financial reporting forms to be revised
- Local Match
  - In-kind match is very difficult to do; ADOT Finance is looking into options
  - PAG area requires 1% funding for artwork. Would it qualify as local match?
    - It would not count towards the local match.
  - Staff time for development often can be used
- Close out
  - LPAs would like to know when project is closed out; need for increased communication
  - Without close out letter, project can become inactive
- Inactive Projects
  - Project deemed inactive by FHWA if:
    - No funding expended within 9 months; or
    - Less than \$50,000 expended within 12 months
  - ADOT starts looking at possible inactive projects at 6 months
  - LPAs have concern with 6 month because it takes time to bid and award; communicate with ADOT PM on schedule

Webinar:

- May 20, 2015 – Go-to-Meeting / Innovation of Streamlining

Next Meeting:

- Right-of-Way; Tuesday, June 16, 2015

Attachments:

- DRAFT LPA Expenditure Report
- Copy of Original Design Itemized Cost Estimate
- Attendees and Sign-in sheets